

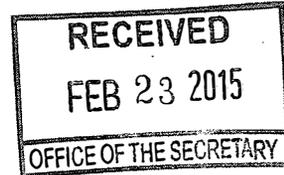
UNITED STATES OF AMERICA  
Before the  
SECURITIES AND EXCHANGE COMMISSION

ADMINISTRATIVE PROCEEDING  
File No. 3-16339

In the Matter of:

JOHN BRINER, ESQ., DIANE DALMY,  
ESQ., DEJOYA GRIFFITH, LLC, ARTHUR  
DEJOYA, CPA, JASON GRIFFITH, CPA,  
CHRIS WHETMAN, CPA, PHILIP ZHANG,  
CPA, M&K CPAS, PLLC, MATT MANIS,  
CPA, JON RIDENOUR, CPA, AND BEN  
ORTEGO, CPA,

Respondents.



**ANSWER OF RESPONDENTS DE JOYA GRIFFITH, LLC, ARTHUR DE JOYA,  
JASON GRIFFITH, CHRIS WHETMAN, AND PHILIP ZHANG**

Respondents De Joya Griffith, LLC (“DG”), Arthur De Joya (“De Joya”), Jason Griffith (“Griffith”), Chris Whetman (“Whetman”), and Philip Zhang (“Zhang”) (collectively, “Respondents”), and each of them, through undersigned counsel, respectfully submit this Answer to the Administrative Order Instituting Administrative and Cease-and-Desist Proceedings (“OIP”) by the Division of Enforcement (“Division”) of the United States Securities and Exchange Commission (the “Commission”), as follows with respect to each numbered paragraph in the OIP:

**RESPONDENTS’ PRELIMINARY STATEMENT**

This proceeding against Respondent DG and four of its five partners is unwarranted and the sanctions sought by the Division effectively seek to put the entire firm (along with all of its employees) out of business. The allegations illustrate extreme overreaching by the Division, and

the facts will reveal that all of the individuals' actions taken and decisions made were in good faith and without any ill-motive whatsoever.

The allegations regarding Respondents relate to the audit of financial statements included in Form S-1 registration statements filed by 9 issuers, each of which had assets of and sought to raise \$30,000 or less in the public offering. (See OIP, Appendix A.) As the Generally Accepted Auditing Standards ("GAAS") recognize, it is substantially relevant that DG was engaged to audit the financial statements of minimally capitalized development stage companies. The audit procedures in this context are minimal because such companies' assets and operations are minimal. Respondents satisfied their obligations under GAAS and any other applicable auditing standard.

It is undisputed that none of the S-1s at issue were declared effective, no securities were sold to the public, and no investors were harmed. Thus, it is obvious that this proceeding and extreme sanctions the Division seeks against the accounting professionals is motivated by a larger agenda to target and discourage these types of offerings and *not* based on the accountants' conduct.

### **RESPONSE TO ALLEGATIONS**

1. Paragraph 1 alleges legal conclusions to which no response is required. To the extent a response is required, Respondents deny the allegations contained in Paragraph 1.

2. Respondents admit that certain issuers filed registration statements with the Commission. Respondents allege that the statements made in such registration statements speak for themselves. Except to the extent admitted or alleged, Respondents deny the allegations contained in Paragraph 2.

3. Paragraph 3 alleges legal conclusions to which no response is required. To the extent a response is required, Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 3 and, therefore, deny them.

4. Respondents admit that Diane Dalmy (“Dalmy”) provided opinion letters with respect to certain issuers. Respondents allege that the statements made in such opinion letters speak for themselves. Except to the extent admitted or alleged, Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 4 and, therefore, deny them.

5. Respondents admit that DJ is a registered public accounting firm and that John Briner contacted DJ to discuss certain issuers identified in the OIP. Respondents deny the allegation that the audits DG “conducted were so deficient that they amount to no audits at all” and deny the allegation that DG partners, including Respondents, “ignored red flags with respect to the issuers.” Except to the extent admitted or denied, Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 5 and, therefore, deny them.

6. Respondents deny the allegations contained in Paragraph 6.

7. Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 7 and, therefore, deny them.

8. Respondents admit that Dalmy issued opinion letters for certain issuers. Except to the extent admitted, Respondents are without sufficient knowledge or information to respond to the remaining allegations contained in Paragraph 8 and, therefore, deny them.

9. Respondents admit the allegations contained in Paragraph 9.

10. Respondents deny that De Joya “has served as a managing partner” of DG. Except as denied, Respondents admit the remaining allegations contained in Paragraph 10.

11. Respondents allege that Griffith functioned as a “managing partner” of DG, with some interruptions, until approximately the Summer of 2014. Except as alleged, Respondents admit the remaining allegations contained in Paragraph 11.

- 12. Respondents admit the allegations contained in Paragraph 12.
- 13. Respondents admit the allegations contained in Paragraph 13.
- 14. Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 14 and, therefore, deny them.
- 15. Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 15 and, therefore, deny them.
- 16. Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 16 and, therefore, deny them.
- 17. Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 17 and, therefore, deny them.
- 18. Respondents admit the allegations contained in Paragraph 18.
- 19. Respondents admit the allegations contained in Paragraph 19.
- 20. Respondents admit the allegations contained in Paragraph 20.
- 21. Respondents admit the allegations contained in Paragraph 21.
- 22. Respondents admit the allegations contained in Paragraph 22.
- 23. Respondents admit the allegations contained in Paragraph 23.
- 24. Respondents admit the allegations contained in Paragraph 24.
- 25. Respondents admit the allegations contained in Paragraph 25.
- 26. Respondents admit the allegations contained in Paragraph 26.
- 27. Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 27 and, therefore, deny them.
- 28. Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 28 and, therefore, deny them.
- 29. Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 29 and, therefore, deny them.
- 30. Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 30 and, therefore, deny them.

31. Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 31 and, therefore, deny them.

32. Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 32 and, therefore, deny them.

33. Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 33 and, therefore, deny them.

34. Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 34 and, therefore, deny them.

35. Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 35 and, therefore, deny them.

36. Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 36 and, therefore, deny them.

37. Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 37 and, therefore, deny them.

38. Respondents admit that the issuers identified in Paragraphs 18-26 of the OIP made certain filings with the Commission on Form S-1 registration statements. Respondents allege that such registration statements never became effective and, to Respondents' knowledge, no offer or sale of securities occurred and no money was paid by or obtained from investors pursuant to such registration statements. Except to the extent admitted or alleged, Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 38 and, therefore, deny them.

39. Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 39 and, therefore, deny them.

40. Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 40 and, therefore, deny them.

41. Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 41 and, therefore, deny them.

42. Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 42 and, therefore, deny them.

43. Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 43 and, therefore, deny them.

44. Respondents allege that the statements made in the Forms S-1 speak for themselves. Except to the extent alleged, Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 44 and, therefore, deny them.

45. Respondents allege that the statements in the stock purchase agreements speak for themselves, and that no further response is required.

46. Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 46 and, therefore, deny them.

47. Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 47 and, therefore, deny them.

48. Respondents allege that the statements in the asset purchase agreements speak for themselves. Except to the extent alleged, Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 48 and, therefore, deny them.

49. Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 49 and, therefore, deny them.

50. Respondents admit that DG provided reports for the nine issuers identified. Except to the extent admitted, Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 50 and, therefore, deny them.

51. Respondents deny that “Briner and his assistant were the exclusive contacts between” DG and the Issuers. Respondents admit that, from time to time, some of them had contact with Briner and/or his assistant regarding the Issuers. Respondents allege that Briner advised DG that he was a business consultant for the Issuers and, as such, provided certain financial information and documents to support the financial statements. Except to the extent

alleged or admitted, Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 51 and, therefore, deny them.

52. Respondents admit that Dalmy provided legal opinions related to 7 of the 9 Issuers' registrations statements related to DG. Respondents also admit that Dalmy did not provide a legal opinion with respect to La Paz and Goldstream. Respondents allege that separate attorneys, *who are not named in this proceeding*, provided opinion letters with respect to La Paz and Goldstream. Except to the extent admitted and alleged, Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 52 and, therefore, deny them.

53. Respondents admit that the Issuers filed Form S-1 registration statements with the Commission. Respondents allege that the dates of those filings are in the public domain, that the statements in the registration statements speak for themselves, and no further response is required.

54. Respondents allege that the statements in the registration statements speak for themselves. Except to the extent alleged, Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 54 and, therefore, deny them.

55. Respondents allege that the statements in the registration statements speak for themselves. Except to the extent alleged, Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 55 and, therefore, deny them.

56. Respondents allege that the statements in the registration statements speak for themselves. Except to the extent alleged, Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 56 and, therefore, deny them.

57. Respondents allege that the statements in the opinion letters speak for themselves. Except to the extent alleged, Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 57 and, therefore, deny them.

58. Respondents allege that the statements in the registration statements and audit reports speak for themselves. Except to the extent alleged, Respondents deny the allegations contained in Paragraph 58.

59. Respondents allege that the statements in the registration statements speak for themselves. Except to the extent alleged, Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 59 and, therefore, deny them.

60. Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 60 and, therefore, deny them.

61. Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 61 and, therefore, deny them.

62. Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 62 and, therefore, deny them.

63. Respondents admit that the Issuers filed Form S-1 registration statements with the Commission. Respondents allege that the dates of those filings are in the public domain, that the statements in the registration statements and opinion letters speak for themselves, and no further response is required.

64. Respondents allege that the statements in the opinion letters speak for themselves. Except as alleged, Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 64 and, therefore, deny them.

65. Respondents admit that, from time to time, some of them had contact with Briner and/or his assistant regarding certain Issuers. Respondents allege that Briner advised DG that he was a business consultant for those Issuers. Except to the extent alleged or admitted, Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 65 and, therefore, deny them.

66. Respondents admit that, from time to time, some of them had contact with Briner and/or his assistant regarding certain Issuers. Respondents allege that Briner advised DG that he was a business consultant for those Issuers. Except to the extent alleged or admitted,

Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 66 and, therefore, deny them.

67. Respondents admit that Whetman and Zhang served as engagement partners, and De Joya and Griffith served as quality review partners, for the audit engagements identified in Appendix A of the OIP. Respondents allege that these persons were involved in the audits for the referenced Issuers, along with other members of the DG's professional staff. Except to the extent admitted or alleged, Respondents deny the allegations contained in Paragraph 67.

68. Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 68 and, therefore, deny them.

69. Respondents admit that DG issued audit reports with respect to the "De Joya Issuers," that DG consented to such issuer's filing of the report in connection with its registration statement, and that DG was compensated a total of approximately \$33,500 in total for its audit work for the 9 De Joya Issuers. Except as admitted, Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 69 and, therefore, deny them.

70. Respondents admit that the persons identified in Appendix A were part of the audit team with respect to identified De Joya Issuers. Respondents allege that the purported "staffing" set forth in Appendix A is incomplete and alleges that there were additional members of the audit team.

71. Respondents allege that the contents of the PCAOB Standards speak for themselves and that no further response is required. Respondents allege that the Division's statement of the PCAOB standard in this paragraph is incomplete.

72. Respondents allege that the contents of the PCAOB Standards speak for themselves and that no further response is required. Respondents allege that the Division's statement of the PCAOB standard in this paragraph is incomplete.

73. Respondents allege that the contents of the PCAOB Standards speak for themselves and that no further response is required. Respondents allege that the Division's statement of the PCAOB standard in this paragraph is incomplete.

74. Respondents allege that the contents of the PCAOB Standards speak for themselves and that no further response is required. Respondents allege that the Division's statement of the PCAOB standard in this paragraph is incomplete.

75. Respondents allege that DG complied with its internal policies regarding background checks on prospective clients, and this policy and the background checks conducted complied with the applicable professional standards.

76. Respondents allege that this paragraph contains an incomplete statement of DG's policy at the time, and alleges that its policy and the background checks conducted complied with the applicable professional standards.

77. Respondents admit that they did not perform a background check on Briner or Dalmy at the time of their engagement by the De Joya Issuers. Respondents allege that DG's policy and the background checks that it undertook complied with the applicable professional standards. Except as admitted or alleged, Respondents deny the remaining allegations contained in Paragraph 77.

78. Respondents deny the allegations contained in Paragraph 78.

79. Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 79 and, therefore, deny them.

80. Respondents deny the allegations contained in Paragraph 80.

81. Respondents deny the allegations contained in Paragraph 81.

82. Respondents allege that the contents of the PCAOB Standards speak for themselves and that no further response is required. Respondents allege that the Division's statement of the PCAOB standard in this paragraph is incomplete.

83. Respondents allege that the contents of the PCAOB Standards speak for themselves and that no further response is required. Respondents allege that the Division's statement of the PCAOB standard in this paragraph is incomplete.

84. Respondents deny the allegations contained in Paragraph 84.

85. Respondents allege that the statements in the Issuer's Form S-1 registration statements speak for themselves. Except as alleged, Respondents deny the allegations contained in Paragraph 85.

86. Respondents admit that each of them read certain of the registration statements within varying periods of time. Except as admitted, Respondents deny the remaining allegations contained in Paragraph 86.

87. Respondents deny the allegations contained in Paragraph 87.

88. Respondents allege that the contents of the PCAOB Standards speak for themselves and that no further response is required. Respondents allege that the Division's statement of the PCAOB standard in this paragraph is incomplete.

89. Respondents allege that the contents of the PCAOB Standards speak for themselves and that no further response is required. Respondents allege that the Division's statement of the PCAOB standards in this paragraph is incomplete.

90. Respondents deny the allegations contained in Paragraph 90.

91. Respondents deny the allegations contained in Paragraph 91.

92. Respondents allege that the contents of the PCAOB Standards speak for themselves and that no further response is required. Respondents allege that the Division's statement of the PCAOB standards in this paragraph is incomplete.

93. Respondents deny the allegations contained in Paragraph 93.

94. Respondents allege that the statements in the referenced letters speak for themselves. Except as alleged, Respondents deny the remaining allegations contained in Paragraph 94.

95. Respondents admit that the La Paz audit team requested and received information about Briner's relationship with and compensation from La Paz. Respondents allege that the Division's quotation of Briner's response is incomplete. Except as admitted or alleged, Respondents deny the remaining allegations contained in Paragraph 95.

96. Respondents deny the allegations contained in Paragraph 96.

97. Respondents allege that the contents of the PCAOB Standards speak for themselves and that no further response is required. Respondents allege that the Division's statement of the PCAOB standard in this paragraph is incomplete.

98. Respondents allege that the contents of the PCAOB Standards speak for themselves and that no further response is required. Respondents allege that the Division's statement of the PCAOB standard in this paragraph is incomplete.

99. Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 99 and, therefore, deny them.

100. Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 100 and, therefore, deny them.

101. Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 101 and, therefore, deny them.

102. Respondents deny the allegations contained in Paragraph 102.

103. Respondents allege that the contents of the PCAOB Standards speak for themselves and that no further response is required. Respondents allege that the Division's statement of the PCAOB standard in this paragraph is incomplete.

104. Respondents deny the allegations contained in Paragraph 104.

105. Respondents deny the allegations contained in Paragraph 105.

106. Respondents deny the allegations contained in Paragraph 106.

107. Respondents allege that the Division's allegations in this Paragraph are an inaccurate, incomplete, and misleading representation of the true facts, which include facts presented in a sworn declaration by the referenced DG "staff member" that has been provided to

the Division. In addition, Respondents allege that no audit opinion or consent was issued by DG with respect to the “interim financial statements” referenced by the Division, nor were such financial statements ever filed with the Commission. Respondents deny the allegations contained in Paragraph 107.

108. Respondents allege that the contents of the PCAOB Standards speak for themselves and that no further response is required. Respondents allege that the Division’s statement of the PCAOB standard in this paragraph is incomplete.

109. Respondents allege that the contents of the PCAOB Standards speak for themselves and that no further response is required. Respondents allege that the Division’s statement of the PCAOB standard in this paragraph is incomplete.

110. Respondents allege that the contents of the PCAOB Standards speak for themselves and that no further response is required. Respondents allege that the Division’s statement of the PCAOB standard in this paragraph is incomplete.

111. Respondents allege that the contents of the PCAOB Standards speak for themselves and that no further response is required. Respondents allege that the Division’s statement of the PCAOB standard in this paragraph is incomplete.

112. Respondents deny the allegations contained in Paragraph 112.

113. Respondents allege that the Division’s allegations in this Paragraph are an inaccurate, incomplete, and misleading representation of the true facts, which include facts presented in a sworn declaration by the referenced DG “staff member” that has been provided to the Division. Further, Respondents allege that DG’s audit opinion related to La Paz was issued months earlier in July 2012. Respondents deny the allegations contained in Paragraph 113.

114. Respondents admit that a staff member sent Zhang and Whetman links related to the Commission’s complaint against Briner and related information, and that the staff member communicated with Zhang regarding it.

115. Respondents admit that a staff member sent an email to Zhang and Whetman that attached the referenced article, and allege that the article speaks for itself.

116. Respondents admit that a staff member sent an email to Zhang and Whetman that attached the referenced article, and allege that the article speaks for itself.

117. Respondents admit that a staff member sent an email to Griffith, and allege that the text of the email speaks for itself.

118. Respondents admit that Zhang discussed the issues raised regarding Briner with the staff member, and that Zhang recalls discussing the matter with De Joya and Griffith separately. Except as admitted, Respondents deny the allegations contained in Paragraph 118.

119. Respondents admit that Zhang received and reviewed the information sent to him by the staff member, and that Zhang recalls discussing the matter with De Joya and Griffith separately. Respondents also admit that certain DG partners discussed and analyzed whether Briner was acting as an attorney in connection with the Issuers and/or whether he was engaging in any actions that appeared to violate his SEC suspension. They determined in good faith that Briner did appear to be acting as an attorney, especially because other attorneys were involved and appeared to be handling those responsibilities, and Briner did not appear to be violating his SEC suspension.

120. Respondents admit that DG issued audit reports with respect to nine Issuers. Except as admitted, Respondents deny the allegations contained in Paragraph 120.

121. Respondents deny the allegations contained in Paragraph 121.

122. Respondents deny the allegations contained in Paragraph 122.

123. Respondents admit that La Paz was the first Issuer audited. Respondents allege that Whetman was not assigned to the La Paz audit until approximately February or March 2012.

124. Respondents allege that the contents of the PCAOB Standards speak for themselves and that no further response is required. Respondents allege that the Division's statement of the PCAOB standard in this paragraph is incomplete.

125. Respondents deny the allegations contained in Paragraph 125.

126. Respondents allege that the evidentiary record related to the audit and accounting issues presented in Paragraphs 123-164, including internal and external communications,

documents, and analyses, is extensive and complex, and the Division's allegations present an incomplete and misleading version of the true facts. As a result, Respondents deny the allegations contained in Paragraph 126.

127. Respondents allege that the evidentiary record related to the audit and accounting issues presented in Paragraphs 123-164, including internal and external communications, documents, and analyses, is extensive and complex, and the Division's allegations present an incomplete and misleading version of the true facts. As a result, Respondents deny the allegations contained in Paragraph 127.

128. Respondents allege that the evidentiary record related to the audit and accounting issues presented in Paragraphs 123-164, including internal and external communications, documents, and analyses, is lengthy and complex, and the Division's allegations present an incomplete and misleading version of the true facts. As a result, Respondents deny the allegations contained in Paragraph 128.

129. Respondents deny the allegations contained in Paragraph 129.

130. Respondents deny the allegations contained in Paragraph 130.

131. Respondents allege that the evidentiary record related to the audit and accounting issues presented in Paragraphs 123-164, including internal and external communications, documents, and analyses, is lengthy and complex, and the Division's allegations present an incomplete and misleading version of the true facts. As a result, Respondents deny the allegations contained in Paragraph 131.

132. Respondents allege that the evidentiary record related to the audit and accounting issues presented in Paragraphs 123-164, including internal and external communications, documents, and analyses, is lengthy and complex, and the Division's allegations present an incomplete and misleading version of the true facts. As a result, Respondents deny the allegations contained in Paragraph 132.

133. Respondents allege that the evidentiary record related to the audit and accounting issues presented in Paragraphs 123-164, including internal and external communications,

documents, and analyses, is lengthy and complex, and the Division's allegations present an incomplete and misleading version of the true facts. As a result, Respondents deny the allegations contained in Paragraph 133.

134. Respondents deny the allegations contained in Paragraph 134.

135. Respondents allege that the evidentiary record related to the audit and accounting issues presented in Paragraphs 123-164, including internal and external communications, documents, and analyses, is lengthy and complex, and the Division's allegations present an incomplete and misleading version of the true facts. As a result, Respondents deny the allegations contained in Paragraph 135.

136. Respondents deny the allegations contained in Paragraph 136.

137. Respondents allege that the evidentiary record related to the audit and accounting issues presented in Paragraphs 123-164, including internal and external communications, documents, and analyses, is lengthy and complex, and the Division's allegations present an incomplete and misleading version of the true facts. As a result, Respondents deny the allegations contained in Paragraph 137.

138. Respondents allege that the evidentiary record related to the audit and accounting issues presented in Paragraphs 123-164, including internal and external communications, documents, and analyses, is lengthy and complex, and the Division's allegations present an incomplete and misleading version of the true facts. As a result, Respondents deny the allegations contained in Paragraph 138.

139. Respondents allege that the evidentiary record related to the audit and accounting issues presented in Paragraphs 123-164, including internal and external communications, documents, and analyses, is lengthy and complex, and the Division's allegations present an incomplete and misleading version of the true facts. As a result, Respondents deny the allegations contained in Paragraph 139.

140. Respondents allege that the evidentiary record related to the audit and accounting issues presented in Paragraphs 123-164, including internal and external communications,

documents, and analyses, is lengthy and complex, and the Division's allegations present an incomplete and misleading version of the true facts. As a result, Respondents deny the allegations contained in Paragraph 140.

141. Respondents deny the allegations contained in Paragraph 135.

142. Respondents allege that the evidentiary record related to the audit and accounting issues presented in Paragraphs 123-164, including internal and external communications, documents, and analyses, is lengthy and complex, and the Division's allegations present an incomplete and misleading version of the true facts. As a result, Respondents deny the allegations contained in Paragraph 142.

143. Respondents allege that the evidentiary record related to the audit and accounting issues presented in Paragraphs 123-164, including internal and external communications, documents, and analyses, is lengthy and complex, and the Division's allegations present an incomplete and misleading version of the true facts. As a result, Respondents deny the allegations contained in Paragraph 143.

144. Respondents allege that the evidentiary record related to the audit and accounting issues presented in Paragraphs 123-164, including internal and external communications, documents, and analyses, is lengthy and complex, and the Division's allegations present an incomplete and misleading version of the true facts. As a result, Respondents deny the allegations contained in Paragraph 144.

145. Respondents deny the allegations contained in Paragraph 145.

146. Respondents deny the allegations contained in Paragraph 146.

147. Respondents allege that the evidentiary record related to the audit and accounting issues presented in Paragraphs 123-164, including internal and external communications, documents, and analyses, is lengthy and complex, and the Division's allegations present an incomplete and misleading version of the true facts. As a result, Respondents deny the allegations contained in Paragraph 147.

148. Respondents deny the allegations contained in Paragraph 148.

149. Respondents deny the allegations contained in Paragraph 149.

150. Respondents allege that the evidentiary record related to the audit and accounting issues presented in Paragraphs 123-164, including internal and external communications, documents, and analyses, is lengthy and complex, and the Division's allegations present an incomplete and misleading version of the true facts. As a result, Respondents deny the allegations contained in Paragraph 150.

151. Respondents allege that the evidentiary record related to the audit and accounting issues presented in Paragraphs 123-164, including internal and external communications, documents, and analyses, is lengthy and complex, and the Division's allegations present an incomplete and misleading version of the true facts. As a result, Respondents deny the allegations contained in Paragraph 151.

152. Respondents deny the allegations contained in Paragraph 152.

153. Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 153 and, therefore, deny them.

154. Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 154 and, therefore, deny them.

155. Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 155 and, therefore, deny them.

156. Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 156 and, therefore, deny them.

157. Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 157 and, therefore, deny them.

158. Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 158 and, therefore, deny them.

159. Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 159 and, therefore, deny them.

160. Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 160 and, therefore, deny them.

161. Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 161 and, therefore, deny them.

162. Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 162 and, therefore, deny them.

163. Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 163 and, therefore, deny them.

164. Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 164 and, therefore, deny them.

165. Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 165 and, therefore, deny them.

166. Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 166 and, therefore, deny them.

167. Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 167 and, therefore, deny them.

168. Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 168 and, therefore, deny them.

169. Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 169 and, therefore, deny them.

170. Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 170 and, therefore, deny them.

171. Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 171 and, therefore, deny them.

172. Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 172 and, therefore, deny them.

173. Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 173 and, therefore, deny them.

174. Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 174 and, therefore, deny them.

175. Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 175 and, therefore, deny them.

176. Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 176 and, therefore, deny them.

177. Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 177 and, therefore, deny them.

178. Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 178 and, therefore, deny them.

179. Respondents are without sufficient knowledge or information to respond to the allegations contained in Paragraph 179 and, therefore, deny them.

180. Respondents deny the allegations contained in Paragraph 180.

181. Respondents deny the allegations contained in Paragraph 181.

182. Respondents deny the allegations contained in Paragraph 182.

183. Respondents deny the allegations contained in Paragraph 183.

184. Respondents deny the allegations contained in Paragraph 184.

185. Respondents deny the allegations contained in Paragraph 185.

### **AFFIRMATIVE DEFENSES**

Respondents, and each of them, assert the following separate, affirmative defenses to the OIP. In so doing, Respondents do not assume the burden of production or proof with respect to any fact or proposition necessary to the affirmative defenses where the burden of production and/or proof is properly imposed on the Division.

1. The OIP fails to state a claim upon which relief may be granted against Respondents.
2. This proceeding, as to Respondents, is not warranted by the facts and is unsupported by substantial evidence.
3. This proceeding violates Respondents' constitutional rights, including, but not limited to, Respondents' rights to due process and equal protection.
4. This proceeding is an improper use of Rule 102(e) of the Commission's Rules of Practice.
5. The Division's claims against Respondents fail, in whole or in part, because Respondents reasonably relied upon other professionals to address certain issues raised in the OIP.
6. The Division's claims against Respondents fail, in whole or in part, because the facts pled by the Division do not give rise to an inference that Respondents acted with the state of mind required to establish liability under any of the Division's legal theories.
7. The Division's claims against Respondents fail, in whole or in part, because Respondents acted reasonably and in good faith at all relevant times.
8. The Division's claims against Respondents fail, in whole or in part, because Respondents neither made, nor played a substantial role in making, any statement that contained an untrue statement of material fact or omitted a material fact that should have been disclosed under the circumstances.
9. The Division's claims against Respondents fail, in whole or in part, because the actions and/or audit reports that the Division complains of were not made in connection with a purchase or sale of a security.

10. The Division's claims against Respondents fail, in whole or in part, because no money or property was obtained.

11. The Division's claims against Respondents fail, in whole or in part, because Respondents did not engage in improper professional conduct pursuant to the Commission's Rules of Practice.

12. The Division's claims against Respondents fail, in whole or in part, because the audits at issue were made in accordance with PCAOB and other professional accounting standards. Imposition of the remedies sought by the Division against Respondents are not in the public's interest and are contrary to public policy.

13. The Division did not comply with federal statutory deadlines, including, but not limited to, Section 929U of the Dodd-Frank Wall Street Reform and Consumer Protection Act, 15 U.S.C. § 78d-5.

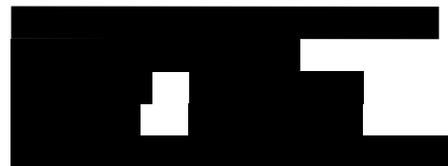
14. Respondents reserve the right to supplement this Answer with additional defenses that become available or apparent during the course of investigation, preparation, or review of the Commission's investigative file and to amend this Answer accordingly.

Dated: February 13, 2015  
San Diego, California

Respectfully submitted,

**PERKINS COIE LLP**

By:   
Sean T. Prosser



Attorneys for Respondents  
DeJoya Griffith, LLC, Arthur DeJoya,  
CPA, Jason Griffith, CPA, Chris  
Whetman, CPA and Philip Zhang







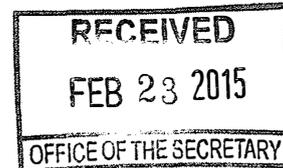
Sean T. Prosser



February 13, 2015

**VIA U.S. MAIL**

Office of the Secretary  
U.S. Securities & Exchange Commission  
100 F. Street NE  
Mail Stop 1090  
Washington, DC 20549



**Re: In the Matter of John Briner, Esq., et al.  
Admin Proc. File No. 3-16339**

Dear Sir/Madam:

Enclosed please find three (3) copies of Respondents De Joya Griffith, LLC, Arthur De Joya, Jason Griffith, Chris Whetman and Philip Zhang's Answer for filing with the Securities and Exchange Commission in the above-referenced matter.

Very truly yours,

Sean T. Prosser

Encl.